I am a med-sized conservative family farmer. I went to the Ag Forum at ISU in early July, because the farm bill greatly affects my operation.

While there I heard many good ideas and polices conservation, education, and rural development. The problem is we are all fighting for the same tax dollars.

On the farm side I think we need to look at history. Over time our bad producers and bad luck producers went out of business. This helped the farm economy balance out. This was allowed to happen until the mid 80's. The government and Federal Land Bank saved many of these producers and started modern day farm programs.

In the 80's farmers paid too much for rent and farm ground. I believe the same thing is happening now. It is being done by some of the saved farmers and a few new ones.

The 2002 farm bill, tax laws, and crop insurance has been great for the farm economy. It has increased profits, rents, and the value of our assets. This is great as long as our profits remain high.

There is no magic farm bill. What is good for me may not be good for the next guy.

The farm safety net has been good to farmers, but this policy has been great for expanding farmers. They can expand with the help of direct payments and crop insurance with little or no risk.

We need to find a way were farmers can afford to retire or begin farming.

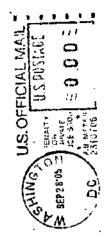
We need to deal with concentration. In the hog industry large investors came in and quickly got favorable packer contracts while independent producers were left out. I believe a similar thing will happen in commodity farming if we let it.

At the forum I heard cotton and rice farmers were my competition. I believe these farmers have similar problems and should be our partners in the next farm bill.

I heard over and over again bigger is more profitable. Have we thought about capping payments for each individual crop. Cap them for the averaged sized farm since extra acres are more profitable. Large farms should not need the extra payments. The savings could be used for conservation, education, and rural development.

There is no perfect farm bill. Policy affects each farm differently. Thanks for reading my thoughts.

Steve Hay



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